

Agency Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	4.00	.00	.00	4.00	.00	.00	4.00	4.00
Personal Services	157,489	12,171	0	169,660	11,164	0	168,653	338,313
Operating Expenses	137,909	11,743	8,000	157,652	8,569	8,000	154,478	312,130
Equipment	2,937	(1,285)	0	1,652	(1,285)	0	1,652	3,304
Total Costs	\$298,335	\$22,629	\$8,000	\$328,964	\$18,448	\$8,000	\$324,783	\$653,747
General Fund	122,058	13,417	7,384	142,859	11,467	7,384	140,909	283,768
State/Other Special	176,277	9,212	616	186,105	6,981	616	183,874	369,979
Total Funds	\$298,335	\$22,629	\$8,000	\$328,964	\$18,448	\$8,000	\$324,783	\$653,747

### Agency Description

The Board of Public Education, created by Article X, Section 9 of the Montana Constitution, consists of seven voting members appointed by the Governor. The board is charged with exercising "general supervision over the public school system." The board is also designated by statute as the governing board of the Montana School for the Deaf and Blind. Together with the Board of Regents, the board is responsible for the general planning, coordinating, and evaluation of the state's educational system (Title 20, Chapter 2, MCA). The board accredits schools, certifies teachers, adopts policies and standards for various educational programs, and orders the distribution of state equalization aid. The board's accreditation standards are the basis for eligibility for local school districts to receive state funds. The board hears cases regarding denial, suspension, and revocation of teacher certificates and reviews teacher education programs leading to interstate reciprocity.

### Summary of Legislative Action

The legislature generally maintained present law with this agency's budget, with the majority of adjustments made in statewide present law adjustments to fully fund personal services and fund increased fixed costs. Other present law adjustments were made in per diem, network services, and general operating expenses. The legislature funded a new proposal to support adoption and implementation of standards.

The legislature passed legislation that changed the allocation of the teacher certification fee, as discussed below. The allocation of \$3 for the council would have resulted in reductions in council operations due to lack of funding. The legislature reallocated the fee revenue rather than reduce council operations.

### Other Legislation

House Bill 414 - The legislature reallocated the \$6 teacher certification fee from \$3 for the Certification Standards and Practices Advisory Council and \$3 for research and studies to \$4 for the council and \$2 for research and studies. The reallocation was made to provide additional funding to the council rather than reduce council operations due to lack of funding.

Agency Budget Comparison								
Budget Item	Base Budget Fiscal 1998	Executive Budget Fiscal 2000	Legislative Budget Fiscal 2000	Leg – Exec. Difference Fiscal 2000	Executive Budget Fiscal 2001	Legislative Budget Fiscal 2001	Leg – Exec. Difference Fiscal 2001	Biennium Difference Fiscal 00-01
FTE	4.00	3.75	4.00		3.75	4.00		
Personal Services	157,489	159,122	169,660	10,538	158,195	168,653	10,458	20,996
Operating Expenses	137,909	167,380	157,652	(9,728)	166,195	154,478	(11,717)	(21,445)
Equipment	2,937	0	1,652	1,652	0	1,652	1,652	3,304
Total Costs	\$298,335	\$326,502	\$328,964	\$2,462	\$324,390	\$324,783	\$393	\$2,855
General Fund	122,058	155,919	142,859	(13,060)	153,969	140,909	(13,060)	(26,120)
State/Other Special	176,277	170,583	186,105	15,522	170,421	183,874	13,453	28,975
Total Funds	\$298,335	\$326,502	\$328,964	\$2,462	\$324,390	\$324,783	\$393	\$2,855

### Executive Budget Comparison

The legislature accepted the Executive Budget except for: 1) a new proposal requesting \$13,052 general fund and \$1,089 state special revenue annually, which would have provided funding for the board to join the National Association of State Boards of Education; and 2) a present law adjustment to reduce the state special revenue appropriation for the advisory council by \$16,619 in fiscal 2000 and \$14,550 in fiscal 2001.

Program Proposed Budget								
Budget Item	Base Budget Fiscal 1998	PL Base Adjustment Fiscal 2000	New Proposals Fiscal 2000	Total Leg. Budget Fiscal 2000	PL Base Adjustment Fiscal 2001	New Proposals Fiscal 2001	Total Leg. Budget Fiscal 2001	Total Leg. Budget Fiscal 00-01
FTE	2.00	.00	.00	2.00	.00	.00	2.00	2.00
Personal Services	94,055	6,787	0	100,842	6,255	0	100,310	201,152
Operating Expenses	36,911	9,100	8,000	54,011	7,520	8,000	52,431	106,442
Equipment	1,285	(1,285)	0	0	(1,285)	0	0	0
Total Costs	\$132,251	\$14,602	\$8,000	\$154,853	\$12,490	\$8,000	\$152,741	\$307,594
General Fund	122,058	13,417	7,384	142,859	11,467	7,384	140,909	283,768
State/Other Special	10,193	1,185	616	11,994	1,023	616	11,832	23,826
Total Funds	\$132,251	\$14,602	\$8,000	\$154,853	\$12,490	\$8,000	\$152,741	\$307,594

### Program Description

The staff of the Administration Program provides administration, research, clerical functions, and management of business affairs for all programs under the purview of the Board of Public Education. The Board of Public Education is created by Article X, Section 9 of the Montana Constitution and charged with exercising general supervision of the public school system.

### Funding

This program is funded with general fund and teacher certification fees. Because the Administration Program provides support to the teacher certification advisory council, which is entirely funded from the certification fees, teacher certification fees are used to help defray the cost of providing that support. The program is funded with 93.4 percent general fund and 6.6 percent state special revenue from certification fees.

Present Law Adjustments							
Present Law Description		Fiscal 2000 FTE	Fiscal 2000 General Fund	Fiscal 2000 Total Funds	Fiscal 2001 FTE	Fiscal 2001 General Fund	Fiscal 2001 Total Funds
Statewide Present Law							
Personal Services				3,287			2,755
Inflation/Deflation				127			126
Fixed Costs				1,696			117
Total Statewide Adjustments				\$5,110			\$2,998
Present Law Adjustments							
1	Adjustments to Base	.00	8,759	9,500	.00	8,759	9,500
3	Rate Reduction	.00	(8)	(8)	.00	(8)	(8)
Total PL Adjustments		.00	\$8,751	\$9,492	.00	\$8,751	\$9,492
Present Law Adjustments Total				\$14,602			\$12,490

### Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 1 - Adjustments to Base - The \$8,759 general fund and \$741 state special revenue each year of the 2001 biennium includes annual increases of: 1) \$3,500 for per diem associated with the travel of board members to support the standards revision project headed by the Office of Public Instruction; 2) \$4,000 for network services not serviced by the Department of Administration; and 3) \$2,000 for general operating expenses.

DP 3 - Rate Reduction - The legislature reduced the building rental rates and the rate charged by the Information Services Division (ISD) for data network services.

New Proposals		Fiscal 2000	Fiscal 2000	Fiscal 2000	Fiscal 2001	Fiscal 2001	Fiscal 2001
Description		FTE	General Fund	Total Funds	FTE	General Fund	Total Funds
1	Standards Adoption/Implement.-OTO	.00	7,384	8,000	.00	7,384	8,000
Total New Proposals		.00	\$7,384	\$8,000	.00	\$7,384	\$8,000

### New Proposals

DP 1 - Standards Adoption/Implement.-OTO - The legislature appropriated \$8,000 based on the program funding percentages for each year of the biennium to support the adoption and implementation of standards. This appropriation provides funding for the board to attend hearings and engage in research to support the Office of Public Instruction (OPI) in its standards adoption and implementation project. The legislature designated this new proposal as a one-time-only appropriation.

Program Proposed Budget								
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FTE	2.00	.00	.00	2.00	.00	.00	2.00	2.00
Personal Services	63,434	5,384	0	68,818	4,909	0	68,343	137,161
Operating Expenses	100,998	2,643	0	103,641	1,049	0	102,047	205,688
Equipment	1,652	0	0	1,652	0	0	1,652	3,304
Total Costs	\$166,084	\$8,027	\$0	\$174,111	\$5,958	\$0	\$172,042	\$346,153
State/Other Special	166,084	8,027	0	174,111	5,958	0	172,042	346,153
Total Funds	\$166,084	\$8,027	\$0	\$174,111	\$5,958	\$0	\$172,042	\$346,153

### Program Description

The seven-member Certification Standards and Practices Advisory Council was created by the legislature in 1987 to study and make recommendations to the Board of Public Education in the following areas: 1) teacher, administrator, and specialist certification standards; 2) the status and efficacy of approved teacher education programs; and 3) the feasibility of establishing teaching certification and the appeals process. The board staff provides administrative, research, and clerical duties to the council. The advisory council is created in 2-15-1522, MCA, with duties described in 20-4-133, MCA. These duties include making recommendations to the Board of Public Education regarding precertification training, education requirements, and renewal certification requirements for teachers, administrators, and specialists. The council is required to annually submit its recommendations to the Board of Public Education.

### Funding

Funding for the Advisory Council is from annual teachers' certification fees. The annual teachers' certification fee is presently \$6. Prior to the fiscal 2000, \$3 of this fee was deposited to a state special revenue account for advisory council operations, and \$3 was deposited to a separate state special revenue account to be appropriated by the legislature for special projects and research studies associated with the professional development of teachers in Montana. As a result of the passage of HB 414, the allocation of the certification fee was changed to \$4 for support of the council and \$2 for special projects and research studies. The previous allocation would have resulted in program reductions due to lack of available funding. The legislature reallocated the funds rather than reduce operations of the council.

Present Law Adjustments						
Present Law Description		Fiscal 2000 FTE	Fiscal 2000 General Fund	Fiscal 2000 Total Funds	Fiscal 2001 FTE	Fiscal 2001 General Fund
Statewide Present Law						
Personal Services				5,384		4,909
Inflation/Deflation				272		253
Fixed Costs				2,379		804
Total Statewide Adjustments				\$8,035		\$5,966
Present Law Adjustments						
2	Rate Reduction	.00	0	(8)	.00	0
Total PL Adjustments		.00	\$0	(\$8)	.00	\$0
Present Law Adjustments Total				\$8,027		\$5,958

### Present Law Adjustments

The table above shows the changes made by the legislature to the adjusted base budget. Statewide adjustments are standard categories of adjustments globally applied by the legislature to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 2 - Rate Reduction - The legislature reduced the building rental rates and the rate charged by the Information Services Division (ISD) for data network services.